

5101:3-3-201
Page 33 of 35

- 8030 Amortization-Leasehold improvements
Amortization expense of leasehold improvements that are amortized over the remaining life of the lease or the useful life of the improvement, but no less than five years. If the useful life of the improvement is less than five years, it may be amortized over its useful life. Options on leases will not be considered in the computation for amortization of leasehold improvements.
- 8040 Depreciation-Equipment
Depreciation expense for equipment.
- 8050 Depreciation-Transportation equipment
Depreciation expense for transportation equipment.
- 8060 Lease and Rent - Building
Expense incurred for lease and rental expenses relating to buildings. Capitalized assets as a result of lease obligations should be depreciated and included in the proper depreciation accounts.
- 8065 Lease and Rent - Equipment
Expense incurred for lease and rental expenses relating to equipment. Capitalized assets as a result of lease obligations should be depreciated and included in the proper depreciation account. (Cost of equipment, including vehicles, acquired by operating lease executed before 12/01/92, and the costs are reported as administrative and general on the facility's cost report for period ending 12/31/92 are to be reported on indirect).
- 8070 Interest Expense - Property, plant and equipment Interest expense incurred on mortgage notes, capitalized lease obligations, and other borrowing for the acquisition of land, buildings and equipment.
- 8080 Amortization of Financing Cost
Amortization expense of long term financing cost such as cost of issuing bonds, underwriting fees, closing costs, mortgage points, etc.

****HOME OFFICE COSTS****

- 8090 **** Home Office Costs/Capital ****- Capital expenses of a separate division or entity which owns, leases or manages more than one facility (home office). These costs must be related to capital cost as specified in the capital cost center, and are allocated to the facility in accordance with "HCFA Publication 15-1," sections 2150 through 2150.3, "Home Office Costs". (All home office costs for group **(A)** are to be entered in this account. They are not to be distributed to any other account in this group.)

RENOVATIONS

- 8500 Depreciation/Amortization
Depreciation and amortization expenses for renovations.
- 8570 Interest - Renovations
Interest expense incurred on mortgage notes, capitalized lease obligations, and other borrowing for renovation purposes.

Approved Effective Date 3/31/98

TN # 98-02 APPROVAL DATE MAY 28 1998
SUPERSEDES

5101:3-3-201
Page 34 of 35

- 8580 Amortization of Financing Cost - Renovations
 Amortization expense for cost of issuing bonds, underwriting fees, closing costs, mortgage points, etc.
 Incurred for renovations.

GROUP (B) ASSETS ACQUIRED THROUGH A CHANGE OF PROVIDER AGREEMENT

Nursing facilities, other than leased facilities, that changed provider agreement on or after 7/1/93 use this group to report expenses incurred through a change of provider agreement on or after 7/1/93. Leased nursing facilities that changed provider agreement on or after 5/27/92 use this group to report expenses incurred through a change of provider agreement on or after 5/27/92.

- 8110 Depreciation - Building and building improvements
 Depreciation of building and building improvements acquired through a change of provider
 agreement on or after 7/1/93.
- 8140 Depreciation - Equipment
 Depreciation expense for equipment acquired through a change of provider agreement on or after
 7/1/93.
- 8170 Interest expense - Property, plant and equipment
 interest expense incurred on mortgage notes, capitalized lease obligations, and other borrowing for the
 acquisition of land, buildings and equipment acquired through a change of provider agreement on or
 after 7/1/93.
- 8180 Amortization of Financing Cost
 Amortization expense of long term financing costs such as cost of issuing bonds, underwriting fees,
 closing costs, mortgage points, etc. Acquired through a change of provider agreement on or after
 7/1/93.
- 8195 Lease Expense
 Lease expenses incurred through a change of provider agreement on or after 5/27/92.

GROUP (C) NURSING FACILITIES THAT QUALIFY TO BE HELD HARMLESS

Should use this group to report expenses incurred prior to 7/1/93.

- 8210 ~~Depreciation-Building and building improvements~~
 ~~Depreciation expense of building and building improvements incurred prior to 7/1/93.~~
- 8220 ~~Amortization-Land improvements~~
 ~~Amortization expense for land improvements incurred prior to 7/1/93.~~
- 8230 ~~Amortization-Leasehold improvements~~
 ~~Amortization expense of leasehold improvements incurred prior to 7/1/93 that are amortized over~~
 ~~remaining life of the lease or the useful life of the improvement, but no less than five years. If the~~
 ~~useful life of the improvement is less than five years, it may be amortized over its useful life. Options~~
 ~~on leases will not be considered in the computation for amortization of leasehold improvements.~~

Proposed Effective Date 3/31/98

TN # _____ APPROVAL DATE MAY 28 1998
SUPERSEDES

5101:3-3-201
Page 35 of 35

- 8240 Depreciation-Equipment
Depreciation expense for equipment incurred prior to 7/1/93.
- 8250 Depreciation-Transportation equipment
Depreciation expense for transportation equipment incurred prior to 7/1/93.
- 8260 Lease and Rent - Building
Expense incurred prior to 7/1/93 for lease and rental expenses relating to buildings. Capitalized assets as a result of lease obligations should be depreciated and included in the proper depreciation accounts.
- 8265 Lease and Rent - Equipment
Expense incurred prior to 7/1/93 for lease and rental expenses relating to equipment. Capitalized assets as a result of lease obligations should be depreciated and included in the proper depreciation account. (Cost of equipment, including vehicles, acquired by operating lease executed before 12/1/92, and the costs are reported as administrative and general on the facility's cost report for period ending 12/31/92 are to be reported on indirect).
- 8270 Interest expense-Property, plant and equipment
Interest expense incurred prior to 7/1/93 on mortgage notes, capitalized lease obligations, and other borrowing for the acquisition of land, buildings, and equipment.
- 8280 Amortization of Financing Cost
Amortization expense of long term financing costs such as cost of issuing bonds, underwriting fees, closing costs, mortgage points, etc. Incurred prior to 7/1/93.

****HOME OFFICE COST****

- 8290 ****Home Office Costs/Capital**** Capital expenses incurred prior to 7/1/93 of a separate division or entity which owns, leases or manages more than one facility (home office). These costs must be related to capital cost as specified in the capital cost center, and are allocated to the facility in accordance with "HCFA Publications 15-1," sections 2150 through 2150.3, "Home Office Costs". (All home office costs for group C are to be entered in this account. They are not to be distributed to any other account in this group.)

Effective date: _____

Certification: _____

Date

Promulgated under: RC Chapter 119

Statutory authority: RC Section 5111.02

Rule amplifies: RC Sections 5111.01, 5111.02, 5111.23 to 5111.28

Prior effective dates: 3/29/85, 8/1/87, 1/2/90 (Emer.), 3/22/90, 10/1/91 (Emer.)

12/20/91, 7/1/93 (Emer.), 9/30/93 (Emer.), 3/18/94, 12/30/93 (Emer.) 3/18/94

12/28/95, 3/20/97 (Emer.), 5/22/97

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TN # 902
SUPERSEDES

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5101:3-3-202
Page 1 of 65

5101:3-3-202 NURSING FACILITY (NF) AND INTERMEDIATE CARE FACILITY FOR THE
MENTALLY RETARDED (ICF-MR) MEDICAID COST REPORT.

THE NF AND ICF-MR MEDICAID COST REPORT MUST BE FILED IN ACCORDANCE WITH THE REQUIREMENTS SET FORTH IN RULES 5101:3-3-20 AND 5101:3-3-201 OF THE ADMINISTRATIVE CODE. APPENDIX A OF THIS RULE IS THE COST REPORT WHICH SHALL BE ISSUED TO NF AND ICF-MR PROVIDERS AT LEAST SIXTY DAYS BEFORE THE DUE DATE OF THE COST REPORT FOR EACH COST REPORTING PERIOD.

TN # 98-02 APPROVAL DATE MAY 28 1998
SUPERSEDES
TN # 97-05 EFFECTIVE DATE 3/31/98

**INSTRUCTIONS FOR COMPLETING THE
OHIO DEPARTMENT OF HUMAN SERVICES (ODHS) CALENDAR YEAR
MEDICAID COST REPORT FOR NURSING FACILITIES (NFs) AND INTERMEDIATE
CARE FACILITIES FOR THE MENTALLY RETARDED (ICFs-MR)**

**MAJOR CHANGES IN THE CURRENT
CALENDAR YEAR COST REPORT**

Page 2 of 65

The significant changes in the current calendar year cost report are as follows: Instructions have been deleted for the hold harmless category within Instruction #13 (page 15 of these instructions). Accounts comprising the Group (C) held harmless category have been deleted. These are all of the Account series from Account 8210 up to and including Account 8290, 8520 and 8540. On Schedule D-1, within the Group B section, column heading (col. 6) was corrected.

When examples are given using dates, the use of PY (prior year), CY (current year), and SY (subsequent year) will be used instead of actual years. This method has been adapted to circumvent the need to file rule changes yearly.

GENERAL INSTRUCTIONS

OVERVIEW

As a condition of participation in the Title XIX Medicaid program, each NF and ICF-MR shall file a cost report with ODHS. The cost report, including its supplements and attachments, must be filed within ninety days after the end of the reporting period. The cost report shall cover a calendar year. However, if the provider participated in the Medicaid program for less than twelve months during the calendar year, then the cost report shall cover the portion of a calendar year during which the NF and ICF-MR participated in the Medical Assistance Program.

If a provider begins operations on or after October 2, the cost report shall be filed in accordance with rule 5101:3-3-20 of the Ohio Administrative Code (OAC).

For cost reporting purposes, NFs and ICFs-MR, other than state-operated facilities, shall use the Chart of Accounts for NFs and ICFs-MR as set forth in rule 5101:3-3-201 of the OAC, or relate its chart of accounts directly to the cost report.

TN # 98-02 APPROVAL DATE MAY 28 199
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TN # 97-05 EFFECTIVE DATE 3/21/99

ELECTRONIC SUBMISSION OF THE MEDICAID COST REPORT

In accordance with rule 5101:3-3-20 of the OAC, all providers are required to use the electronic cost report submission process. Providers have the option of using an ODHS sponsored computer software for electronic submission of the cost report or may select a vendor from an ODHS approved list of vendors for an electronically submitted equivalent.

FILING REQUIREMENTS

The Medicaid Cost Report must be filed with the department or postmarked on or before APRIL 1, (SY). Pursuant to section 5111.26(A)(2) of the Ohio Revised Code (ORC), a provider whose cost report is filed or postmarked after this date, is subject to a reduction of their per diem rate in the amount of two dollars (\$2.00) per resident day, adjusted for inflation.

If a provider can demonstrate good cause, it may request a fourteen-day extension of the cost report filing deadline. Such requests must be made in writing. In the absence of a timely filed cost report, or request for filing extension, a provider will be notified by ODHS of its failure to file a cost report and will be given thirty days to file the appropriate cost report and attachments. During this thirty day period, the late filing rate reduction described previously will be assessed. If a provider fails to submit a cost report within this time period, its Medicaid provider agreement will be terminated according to section 5111.26(A)(2) of the ORC and rule 5101:3-3-201 of the OAC.

REASONABLE COST

State law, departmental regulations codified in accordance with state law, and the principles of reimbursement for provider costs with related policies described in the Health Care Financing Administration Publication 15-1 (HCFA Pub. 15-1), (also known as HIM-15), and 42 CFR Part 413, establish guidelines and procedures to be used in determining reasonable costs for services rendered by NFs and ICFs-MR. Reasonable cost takes into account both direct and indirect costs of providers of services, including normal standby costs. Departmental regulations regarding the reasonable and allowable costs are contained in Chapter 5101:3-3 of the OAC. Please read all instructions carefully before completing the cost report.

TN #98-02 APPROVAL DATE MAY 28 1998
SUPERSEDES
TN #98-05 EFFECTIVE DATE 3/31/98

ROUTINE SERVICES

Rule 5101:3-3-19 of the OAC lists covered services for all providers who serve NF and ICF-MR residents. This rule outlines services reimbursed through the cost reporting mechanism of NFs and ICFs-MR, and the costs directly billed to Medicaid by service providers other than NFs and ICFs-MR.

ACCOUNTING BASIS

Except for county-operated facilities which operate on a cash method of accounting, all providers are required to submit cost data on the accrual basis of accounting. County-operated facilities which utilize the cash method of accounting, may submit cost data on a cash basis.

OHIO MEDICAID COST REPORT FORMS

The Ohio Medicaid cost report is designed to provide statistical data, financial data, and disclosure statements as required by federal and state rules. Exhibits to the cost report is part of the documents that may be required to file a complete cost report. Each exhibit to the cost report must be identified and cross-referenced to the appropriate schedule(s). Please refer to ODHS 2524 Attachment 3, for instruction on the use of exhibits.

COST REPORT SCHEDULES

The provider must complete the information requested on each cost report schedule. Except for the cost report schedules and attachments listed below, responses such as "Not Applicable," "N/A", "Same as Above," "Available upon request," or "Available at the time of Audit," will be deemed an incomplete or an inadequate cost report. Pursuant to section 5111.26(A)(2) of the ORC, an incomplete or an inadequate cost report is subject to a rate reduction of \$2.00 per resident per day, adjusted for inflation.

TN #98-02 APPROVAL DATE MAY 28 1998
SUPERSEDES
TN #97-05 EFFECTIVE DATE 3/3/98
(Revised 8/97)

On Schedule A page 1 the following schedules are listed. At the space provided answer "N" if non-applicable or "Y" if applicable. Do not indicate "not applicable" on the appropriate schedule or attachment. Send in all non-applicable schedules or attachments unmarked.

Schedule A-2 Medicare Part B Costs to Offset

Schedule C-2 Owners'/Relatives' Compensation

Schedule C-3 (Questions 3 through 8), Cost of Services from Related Organizations

Schedule D-2 Capital Additions and/or Deletions

Schedule E-1 (Page 2 of 2) where Schedule E-1 page 1 of 2 line 22, column 2 is negative; or the provider is a nonprofit organization.

Attachment 2 Adjustment to Trial Balance

**Attachment 5 Nurse Aide Training Statistical Information
(Where the provider is ICF-MR)**

Attachment 7 Addendum for Disputed Costs

~~Table of Cost Report Schedules~~

TN #98-02

SUPERSEDES

TN #97-05

APPROVAL DATE MAY 28 1998

EFFECTIVE DATE 3/31/98

Table of Cost Report Schedules

Form 4.19D
Page 6 of 65

<u>Cost Report Schedules</u>	<u>Title</u>	<u>Page Number</u>
Schedule A, Page 1	Identification and Statistical Data	Page 1
Schedule A, Page 2	Certification by Officer of Provider	Page 2
Schedule A-1	Summary of Inpatient Days	Page 3
Schedule A-2	Determination of Medicare Part B Costs to Offset	Page 4
Schedule A-3	Summary of Costs	Page 5
Schedule B-1	Other Protected Costs	Page 6
Schedule B-2	Direct Care Cost Center	Pages 7-8
Schedule C	Indirect Care Cost Center	Pages 9-11
Schedule C-1	Administrators' Compensation	Pages 12
Schedule C-2	Owners'/Relatives' Compensation	Pages 13-14
Schedule C-3	Cost of Services From Related Organizations	Pages 15-17
Schedule D	Capital Cost Center	Pages 18-19
Schedule D-1	Analysis of Property, Plant and Equipment	Pages 20-21
Schedule D-2	Capital Additions and/or Deletions	Page 22
Schedule E	Balance Sheet	Page 23
Schedule E-1	Return on Equity Capital of Proprietary Providers	Pages 24-25
Attachment 1	Revenue Trial Balance	Pages 26-28
Attachment 2	Adjustment to Trial Balance	Pages 29-30
Attachment 3	Medicaid Cost Report Supplemental Information	Page 31
Attachment 4	Paid Non-Medicaid Leave Days	Page 32
Attachment 5	Nurse Aide Training Statistical Information	Page 33
Attachment 6	Wage and Hours Survey	Pages 34-36
Attachment 7	Addendum for Disputed Costs	Page 37

22. Complete Attachment 6
 23. Complete Attachment 7
 1. Complete Attachment 3
 25. Complete Schedule A, Page 2 of 2

34-36

37

31

2

1. ODHS 2524, Schedule A, Page 1 of 2 - Identification

Identification

The name of the facility and address, county, Ohio Department of Health (ODH) 4-digit home number, Medicare provider number (if applicable), Medicaid Provider number, and Federal ID number. Include addresses of owner of real estate and owner (operator) of business.

Type of Control

Check the category that describes the nature of the ownership or auspices under which the NF or ICF-MR is operated. If item 1.4, 2.2, or 3.6 other specify is checked, the provider must identify type of control.

Type of Facility

Indicate the type of facility in accordance with licensure standards filed with ODH. If the facility indicated is a separate part of another facility, indicate with a check in the appropriate block. All facilities must complete both Columns 1 and 2, lines 1 through 6.2.

Period Covered by the Cost Report

This is a twelve-month period ending December thirty-first unless another period has been designated by the Department. New facilities, closed facilities, or change of provider must indicate the time period of Medicaid participation.

2. ODHS 2524, Schedule A-1, Summary of Inpatient Days

Column 1: Record monthly those beds which are certified by ODH. If the number of beds certified by ODH changed during the middle of

any given month, then calculate a weighted average for that particular